

GANNETT

Q3 2022 Earnings

November 3, 2022

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Cautionary Statement Regarding Forward-Looking Statements. Certain items in this Presentation may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including, but not limited to, statements regarding our business outlook, digital revenue performance and growth, growth in our Digital Marketing Solutions segment, growth of and demand for our digital-only subscriptions and digital marketing and advertising services, any future share repurchases, including under our stock repurchase program, our expectations regarding our free cash flows, revenues, income attributable to Gannett, same-store revenues, cash flows, and our net leverage, expectations regarding our growth rate and inflection point, including growth in revenues and Adjusted EBITDA, our ability to create long-term stockholder value, our expectations, in terms of both amount and timing, with respect to debt repayment, real estate and other asset sales, economic impacts, our cost reduction programs, our cost structure, our expected capital expenditures, our strategy, our environmental, social, and governance goals, our ability to achieve our operating priorities, growth of our average revenue per customer, our long-term opportunities, and future revenue trends and our ability to influence trends. Words such as "expect(s)", "intend(s)", "anticipate(s)", "seek(s)", "estimate(s)", "believes(s)", "will", "target", "outlook" and similar expressions are intended to identify such forward-looking statements. These statements are based on management's current expectations and beliefs and are subject to a number of risks and uncertainties. These and other risks and uncertainties could cause actual results to differ materially from those described in the forward-looking statements, many of which are beyond our control. The Company can give no assurance its expectations will be attained. Accordingly, you should not place undue reliance on any forward-looking statements contained in this Presentation. For a discussion of some of the risks and important factors that could cause actual results to differ from such forward-looking statements, see the risks and other factors detailed from time to time in the Company's most recent Annual Report on Form 10-K, our quarterly reports on Form 10-Q, and our other filings with the Securities and Exchange Commission. Furthermore, new risks and uncertainties emerge from time to time, and it is not possible for the Company to predict or assess the impact of every factor that may cause its actual results to differ from those contained in any forward-looking statements. Such forward-looking statements speak only as of the date of this Presentation. Except to the extent required by law, the Company expressly disclaims any obligation to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in the Company's expectations with regard thereto or change in events, conditions or circumstances on which any statement is based.

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Non-GAAP Measures. This Presentation includes non-GAAP measures, such as Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net income (loss) attributable to Gannett, Free cash flow, and Same store revenues. See the “Appendix” in this Presentation for information regarding these non-GAAP measures, including reconciliations to the most directly comparable U.S. GAAP financial measure, except for forward looking non-GAAP measures where such reconciliation is not available without reasonable effort.

Gannett operates a **scalable, data-driven** digital media platform that is fully aligned with consumer and digital marketing trends.

We are a **subscription-led** and **digitally-focused** media and marketing solutions company that is committed to empowering communities to thrive.

Our strategy is focused on driving **audience growth** and **engagement** by delivering **deeper content experiences** to our consumers, while offering the products and **marketing expertise** our business partners desire.

Key Stats and Value Drivers

Executing on Growth Segments and Investment Strategy in Q3 2022 and Subsequent Events⁽¹⁾

Accelerate digital-only subscriber growth

1.98M

Quarter End Digital-Only
Subscribers

 28.5% Year-over-Year

\$34.5M

Digital-Only Circulation Revenues

 34.5% Year-over-Year on a
same-store basis⁽⁵⁾

178M

Average Monthly Unique Visitors⁽⁷⁾

Drive Digital Marketing Solutions (DMS) growth

\$118.7M

DMS Core Platform Revenues⁽²⁾

 5.3% Year-over-Year

\$15.7M

DMS Segment Adjusted EBITDA⁽³⁾

 4.4% Year-over-Year

15.8K

Average Monthly DMS Core
Platform Customers⁽⁴⁾

Value Drivers

\$24.3M

Total Debt Paydown

\$129.9M Year-to-Date⁽¹⁾

\$200M-\$240M

Targeted annualized savings from
cost reduction initiatives

\$65M-\$75M

Expected real estate and other asset
sales for 2022 with approximately
\$90M in the sales pipeline⁽⁶⁾

1. Reflects subsequent events occurring after the end of the third quarter and as of November 3, 2022.

2. Core platform revenues is defined as revenue derived from customers utilizing the Company's proprietary digital marketing services platform that are sold by either our direct or local market teams.

3. Adjusted EBITDA is a non-GAAP measure. A reconciliation of non-GAAP results is located in the Appendix of the Presentation.

4. 15.9K total DMS customers including core platform and non-core customers.

5. A reconciliation of non-GAAP results is located in the Appendix of the Presentation.

6. The Company makes no guarantees or assurances that sales of any of the real estate and other assets in negotiation will close.

7. 178 million average monthly unique visitors in the third quarter of 2022 with 126 million average monthly unique visitors coming from our USA TODAY NETWORK (based on September 2022 Comscore Media Metrix®) and 52 million average monthly unique visitors resulting from our U.K. digital properties.

Q3 2022 Results and Non-GAAP Highlights⁽¹⁾

GAAP Results

Revenues

- **\$717.9M Total Operating Revenues**
 - Same store revenues⁽¹⁾ decreased 9.0% compared to the same period in the prior year
- **\$256.4M Digital Revenues⁽²⁾**
 - 35.7% of Q3 2022 total revenues and down 2.3% compared to the same period in the prior year on a same store basis⁽¹⁾
 - Digital-only circulation revenues up 35.4% compared to the prior year quarter on a same store basis⁽¹⁾

Net Loss attributable to Gannett

- **\$54.1M**
 - Includes \$44.8 million of depreciation and amortization expense and \$33.3 million of integration and reorganization costs

Cash provided by operating activities

- **\$31.3M**
 - As of Q3 2022, year-to-date cash provided by operating activities of \$33.0 million

Inflationary and Economic Impact

- The Company estimates \$29 million of inflationary and economic impacts during the third quarter, which includes fuel and newsprint pricing and distribution rate per thousand copies

Non-GAAP Results⁽¹⁾

Adjusted EBITDA

- **\$51.9M Adjusted EBITDA**
 - Adjusted EBITDA declines of 49.1% year-over-year due to continued headwinds in digital media and home delivery circulation
- **7.2% Adjusted EBITDA Margin**
 - Improvement of 40 basis points quarter-over-quarter

Adjusted Net Income attributable to Gannett

- **\$48.4M**
 - Driven by a year-to-date tax impact of non-GAAP adjustments

Free Cash Flow

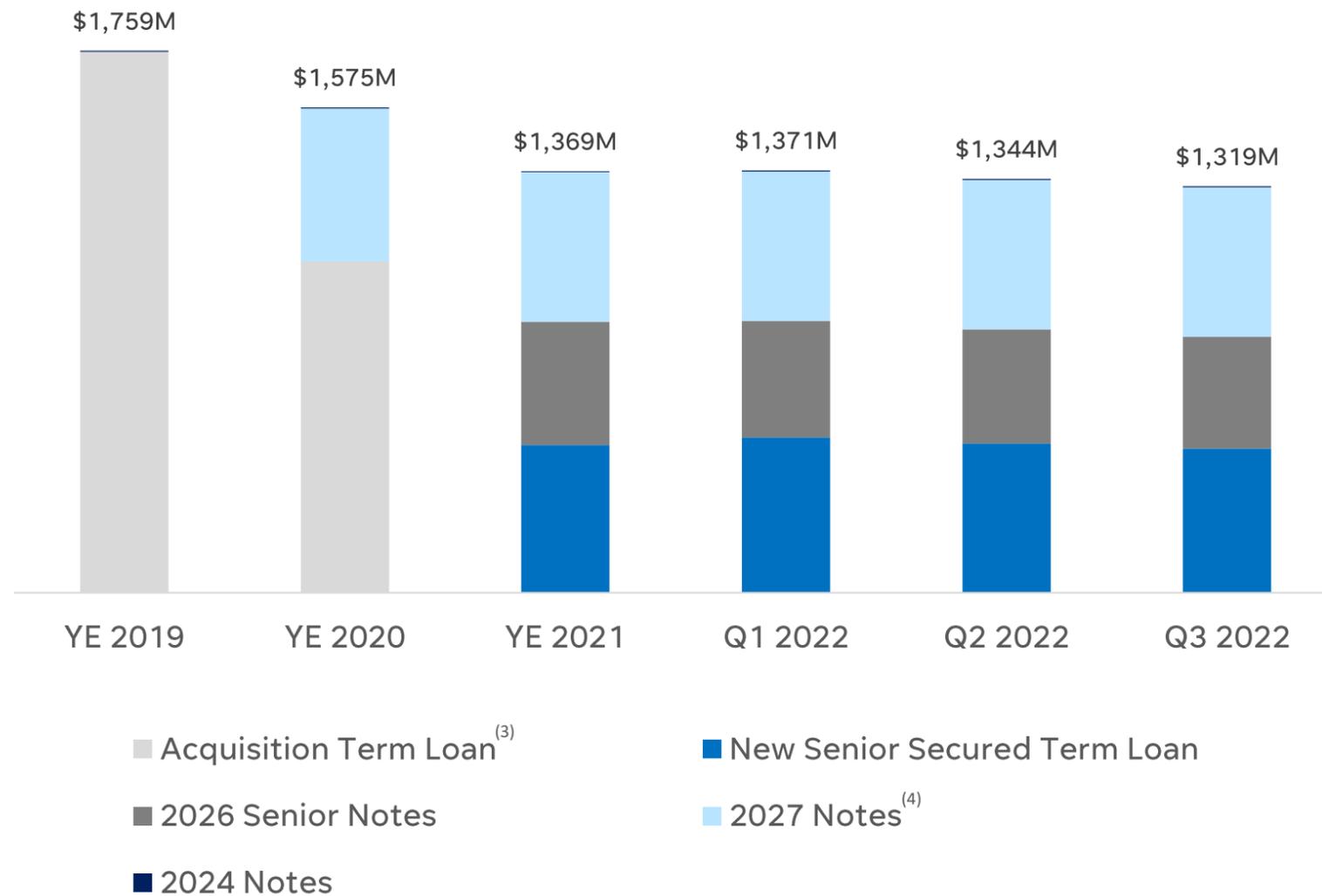
- **\$18.6M**
 - Includes \$22.4 million of cash integration and reorganization and interest paid of \$9.1 million

1. A reconciliation of non-GAAP results is located in the Appendix of the Presentation.
2. Digital revenues includes Digital advertising and marketing services revenues, Digital-only circulation revenues, and Digital syndication and affiliate revenues.

Balance Sheet and Liquidity

Q3 2022

Significant Debt Repayment



Q3 2022

- + Cash on the balance sheet of **\$124.9 million** at the end of Q3 2022
- + Total debt principal outstanding at September 30, 2022 of **\$1.319.5 million**
- + Net leverage ratio⁽¹⁾ of **4.23x**
 - First Lien Net leverage⁽²⁾ of **2.50x**
 - Q3 2022 principal remaining on First Lien: **\$830.9 million**
- + **\$24.3 million** of debt paydown in Q3 2022
 - Repurchased approximately **\$7.0 million** of 2026 Senior Notes for approximately **\$5.5 million** representing a discount to par
 - Repaid **\$17.3 million** of the New Senior Secured Term Loan using the proceeds from real estate and other asset sales totaling **\$2.2 million** and including its scheduled quarterly amortization of **\$15.1 million**
- + Completed **12** real estate and other asset sales totaling **\$34.6 million**

Subsequent Events⁽⁵⁾

- + The Company repurchased approximately **\$17.8 million** of the 2026 Senior Notes for approximately **\$14.4 million** representing a discount to par
- + The Company repaid **\$12.8 million** of its New Senior Secured Term Loan using the proceeds from real estate and other asset sales

1. Net leverage ratio is calculated by subtracting cash on the balance sheet from total debt and dividing it by Q3 2022 LTM Adjusted EBITDA.
 2. First Lien Net Leverage ratio is calculated by subtracting cash on the balance sheet from the sum of both the New Senior Secured Term Loan and the 2026 Senior Notes and dividing it by Q3 2022 LTM Adjusted EBITDA. 2027 Notes are second lien as of the completion of the Senior Secured Term Loan refinancing in October 2021.
 3. Acquisition Term Loan included ~\$234 million for settlement of the 2024 Notes; of which all but \$3.3 million elected for settlement on December 31, 2019.
 4. 2027 Notes are second lien as of the closing of the New Senior Secured Term Loan refinancing in October 2021.
 5. Reflects subsequent events occurring after the end of the third quarter and as of November 3, 2022.

Business Outlook⁽¹⁾

The Company Reiterates its Full Year Outlook

	Guidance	Previous Guidance
Revenues	No Change	\$2.95B to \$3.0B
Same store total revenues year-over-year (non-GAAP) ⁽²⁾⁽⁴⁾⁽⁵⁾	No Change	(7% to 6%)
Net income (loss) attributable to Gannett	No Change	(\$70M to \$60M)
Cash provided by operating activities	No Change	\$45M to \$65M
Free cash flow (non-GAAP) ⁽³⁾⁽⁴⁾	No Change	\$0 to \$20M
Adjusted EBITDA (non-GAAP) ⁽²⁾⁽⁴⁾⁽⁵⁾	No Change	\$270M to \$300M
Ending Digital-only subscribers	No Change	2.0M to 2.2M

- Projections are based on Company estimates as of November 3, 2022 and are provided solely for illustrative purposes. Actual results may vary. The Company undertakes no obligation to update this information. Additionally, the Company's outlook does not factor in the impact of any future acquisitions or dispositions.
- Same store revenues and Adjusted EBITDA are non-GAAP measures. See Appendix for definition of non-GAAP measures and historical reconciliations.
- Free cash flow is a non-GAAP measure. See Appendix for definition of non-GAAP measures. Capital expenditures are assumed at \$40 million to \$45 million for full year 2022. Figure does not include asset disposition proceeds which we estimate will be approximately \$65 million to \$75 million in 2022.
- A reconciliation of non-GAAP outlook measures to corresponding GAAP measures is not available on a forward-looking basis without unreasonable effort due to the uncertainty of components of the GAAP measure that are indeterminable as of the date of this Presentation.
- For forward-looking Same store revenues and Adjusted EBITDA, the reconciliation is unavailable because it would include forward-looking financial statements in accordance with GAAP that are unavailable without unreasonable effort. For these reasons, we use a projected range of the aggregate amount of certain items in order to calculate our projected non-GAAP Adjusted EBITDA outlook and our Same store revenues outlook. See Appendix.

Key Operating Pillars

Third Quarter 2022 Update

Key Operating Pillars

Strong Opportunity for Creating Stakeholder Value

Accelerate digital subscriber growth

- + 2025 outlook of 6 million digital-only subscriptions, inclusive of new offerings tailored to specific users
- + Anchored on high-quality, original, impactful journalism and premium content experiences

Drive Digital Marketing Solutions (DMS) growth

- + Significant digital scale
- + Leverage integrated sales structure and lead generation strategy to grow customer base
- + Data and insights inform new and dynamic marketing products and services

Optimize traditional print business

- + Structural changes to improve longer term performance of the portfolio
- + Print advertising continues to offer a compelling branding opportunity across our U.S. and U.K. operations

Prioritize investments in growth businesses

- + Identify, test, and invest in opportunities for growth
- + Examples include:
 - USA TODAY NETWORK Ventures (Events + Promotions)
 - Reviewed.com
 - Sports Betting / Gaming Partnership Opportunity

Build on inclusive & diverse culture

- + Progress toward stated 2025 workforce diversity goals
- + Align our culture around empowering our communities to thrive and putting our customers at the center of everything we do

Strategic Reorganization

Gannett

Gannett's two distinct business units⁽¹⁾ align well with our strategic pillars and are consistent with our long-term transformation to a subscription-led and digitally-focused media and marketing solutions company

Gannett Media⁽²⁾

\$2.7B
LTM Revenues

\$282M
LTM Adjusted EBITDA⁽³⁾

**Top Priority: Digital-Only
Circulation Growth**

DMS

\$461M
LTM Revenues

\$55M
LTM Adjusted EBITDA⁽³⁾

**Top Priority: Accelerate DMS
Core Platform Revenues⁽⁴⁾**

1. Gannett results include a Corporate and other category that includes activities not directly attributable to a specific reportable segment and includes broad corporate functions such as legal, human resources, accounting, analytics, finance, and marketing. LTM Adjusted EBITDA of Corporate and other of (\$55.2M). This is a non-GAAP measure. A reconciliation of non-GAAP results is located in the Appendix of the Presentation.

2. The Gannett Media reportable segment is an aggregation of two operating segments: Domestic Gannett Media (formerly referred to as Domestic Publishing) and Newsquest (formerly referred to as U.K. Publishing).

3. Adjusted EBITDA is a non-GAAP measure. A reconciliation of non-GAAP results is located in the Appendix of the Presentation.

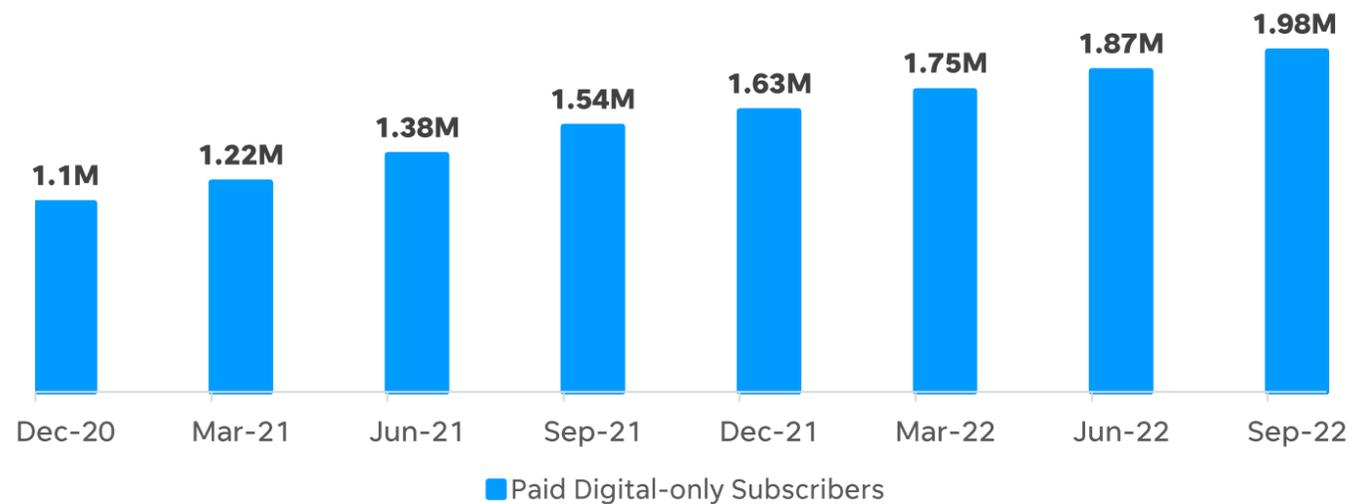
4. Core platform revenues is defined as revenue derived from customers utilizing the Company's proprietary digital marketing services platform that are sold by either our direct or local market teams.

Gannett Media

Pillar One: Accelerating Digital Subscriptions

Driving growth through trusted and unbiased content, data analytics, and improved product experience

Digital-only Subscription Growth



- + Paid digital-only subscribers grew 28.5% in Q3 2022 over the prior year quarter to 1.98M
- + 116K net new subscribers during Q3 2022
- + Digital-only circulation revenues exceeded \$34M in Q3 2022, up 34% year-over-year
- + ARPU⁽¹⁾ increased approximately 2% over the prior year quarter

Key Pillars for Growth in 2022

Personalized Premium Content

Optimize Subscriber Funnel Efficiency

Scale New Subscription Products

Build and Launch New Subscriber Partnerships

Apply Data Science to Improve Retention and Minimize Churn

1. ARPU is calculated by dividing total digital-only revenues by the Company's total active subscriber count.

Expanding TAM: Partnerships/Bundles

Collaborating with Partners With Complementary Product Portfolio and Audience Alignment

The Weather Channel PREMIUM + USA TODAY Bundle & Save

Premium subscription for \$29.99/year automatically charged after trial ends & annually. You can cancel anytime through your iTunes account settings.

nextdoor 100 Amazing Neighbors

Meet our fantastic panel of judges

- Tim McGraw
- Brenda Chenail
- Colbie Corbett
- Maribel Perez
- Marghan Murphy
- John Hoge Bryant
- L. Milva Kuller

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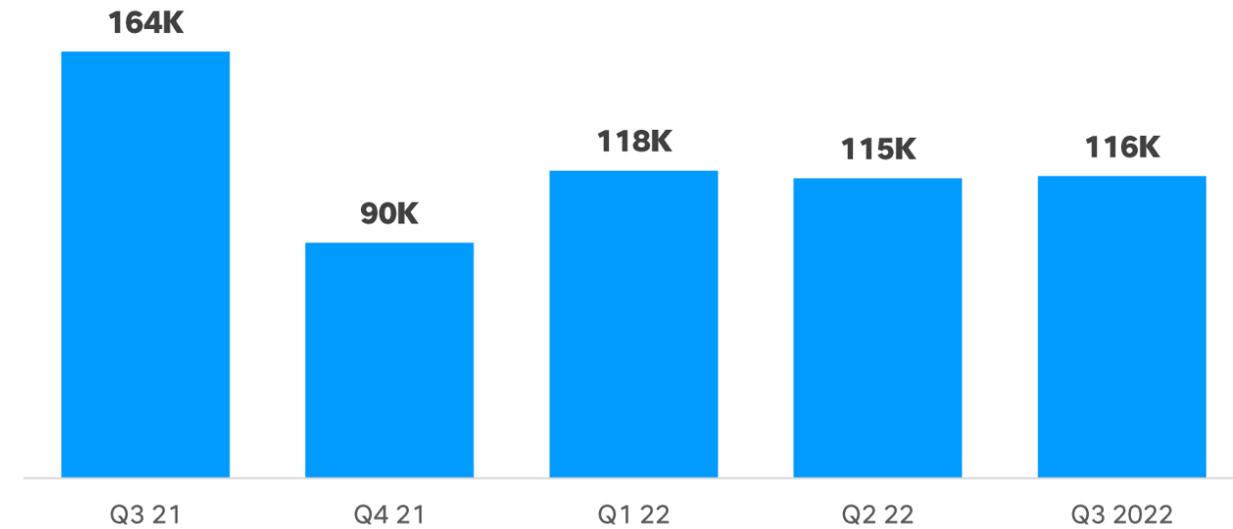
Pillar One: Accelerating Digital Subscriptions

Driving growth through trusted and unbiased content, data analytics, and improved product experience

Digital-Only ARPU⁽¹⁾



Digital-Only Sequential Net Adds⁽²⁾



1. ARPU is calculated by dividing total digital-only revenues by the Company's total active subscriber count.
2. Net adds is determined by taking the difference between active subscribers from the end of each quarter.

Pillar One: Accelerating Digital Subscriptions

Registered Users⁽¹⁾ and Newsletter Subscribers⁽²⁾ See Impressive Growth Rates

+49%

Annual growth of
total registered users⁽¹⁾
from 3.7M to 5.4M
at the end of Q3 2022.

+30%

Annual growth of
newsletter subscribers⁽²⁾
from 6.4M to 8.3M⁽³⁾
at the end of Q3 2022.

Why do we focus here?

Registered users⁽¹⁾ convert to paid subscribers at a significantly higher rate compared to anonymous users. Historically, 10-15% of registered users convert to paid subs in the first 180 days of registering

Based on our experience, newsletter subscribers⁽²⁾, and other email acquisition channels, are the second-best leading conversion channel for digital-only subscriptions and are a leading engagement tool with our paid subscriber base

1. Registered users are known free users who register with us by creating an account. Registered users may receive certain benefits that anonymous users don't receive such as access to additional free/metered content on our platforms, ability to post comments, and unrestricted views of our photo galleries.

2. Newsletter subscribers are known users who have expressed an explicit or implied interest by providing us with their email information to receive a newsletter from any of our publications – which allows them to keep up to date on topics of their interest on a regular basis.

3. Total Newsletter subscribers at end of the third quarter of 8.3 million, including registered users of 2.1 million and 1.9 million of paid full-access or digital-only subscribers.

Digital Marketing Solutions

Pillar Two: Driving DMS Growth

Digital Marketing Solutions – Driving Growth and Further Value for our Shareholders

Our **DMS business** is focused on:

- + Helping SMBs (1) Build their online presence, (2) Drive awareness & leads, (3) Manage & nurture leads and (4) Measure what works.
- + While growing a predictable recurring revenue base with customers that engage regularly with our proprietary LocaliQ platform.

Experienced sustained **revenue growth** and **double-digit Adjusted EBITDA Margins**:

- + Growing core platform⁽¹⁾ revenues – up 5% year-over-year on a same store basis⁽²⁾ in Q3, totaling \$453M over the last twelve months.
- + Sustained high Adjusted EBITDA margins in the segment, with Q3 2022 Adjusted EBITDA margins⁽²⁾ at 13.1%, and last twelve months Adjusted EBITDA⁽²⁾ totaling \$55M.

Freemium efforts continue to progress:

- + In Q3 2022 we launched a new account creation flow and keyword tool, updated dashboard and navigation, new CRM solution and streamlined payment options and checkout.

Continued strong **lead generation**:

- + We reached approximately 18K registered users in the third quarter.

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2. A reconciliation of non-GAAP results is located in the Appendix of the Presentation.

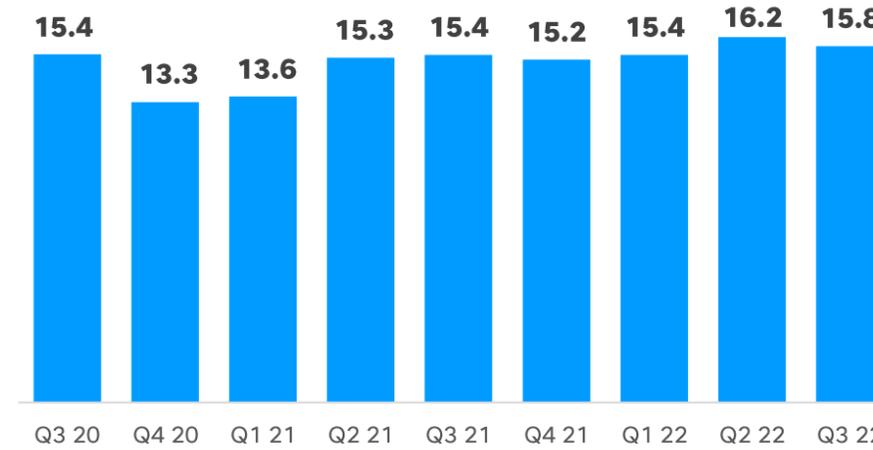
Pillar Two: Driving DMS Growth

Digital Marketing Solutions - Core Platform⁽¹⁾

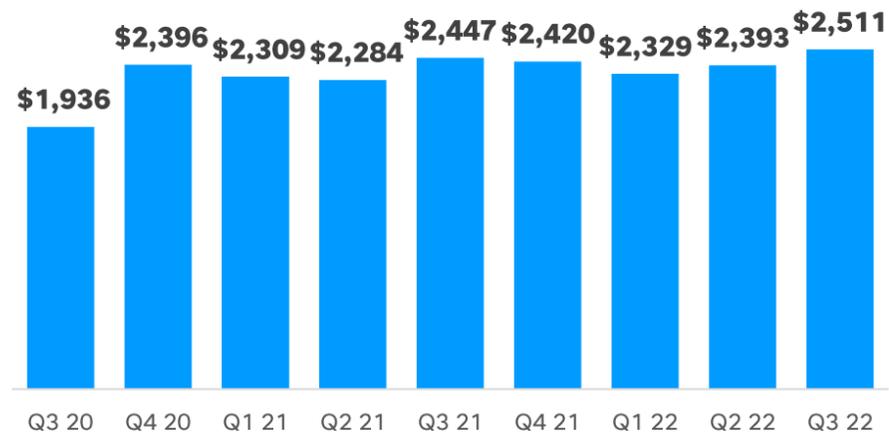
Revenues (M)⁽¹⁾



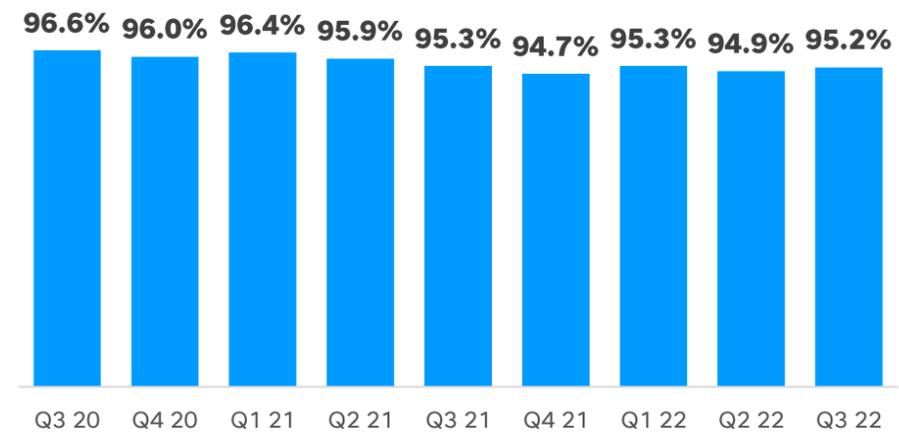
Customer Count (K)⁽²⁾



ARPU⁽³⁾



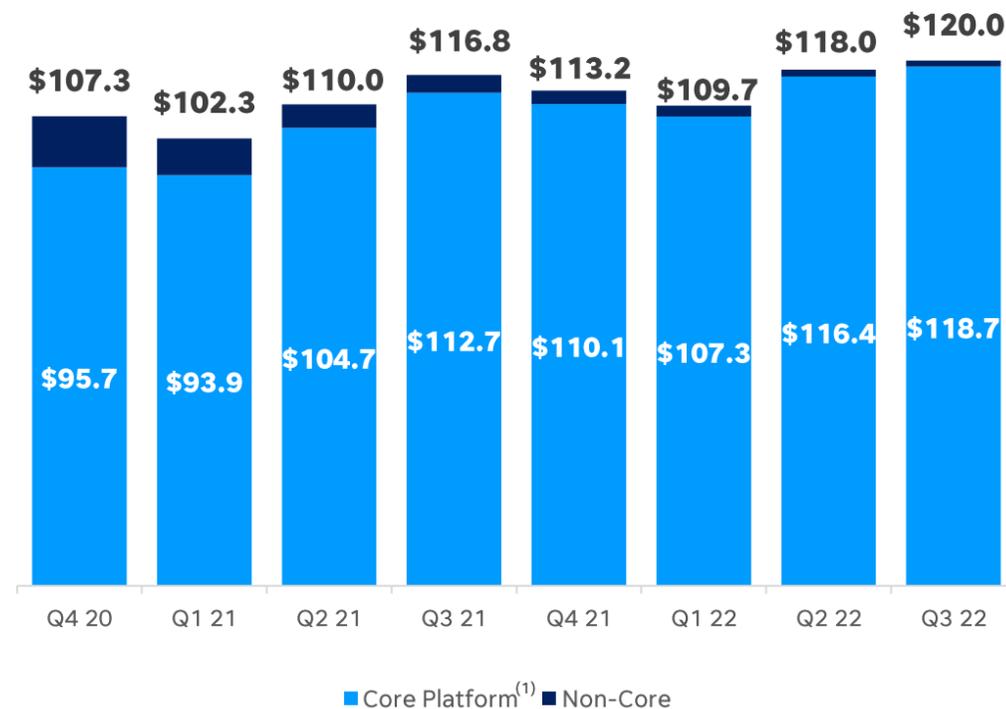
Customer Budget Retention⁽⁴⁾



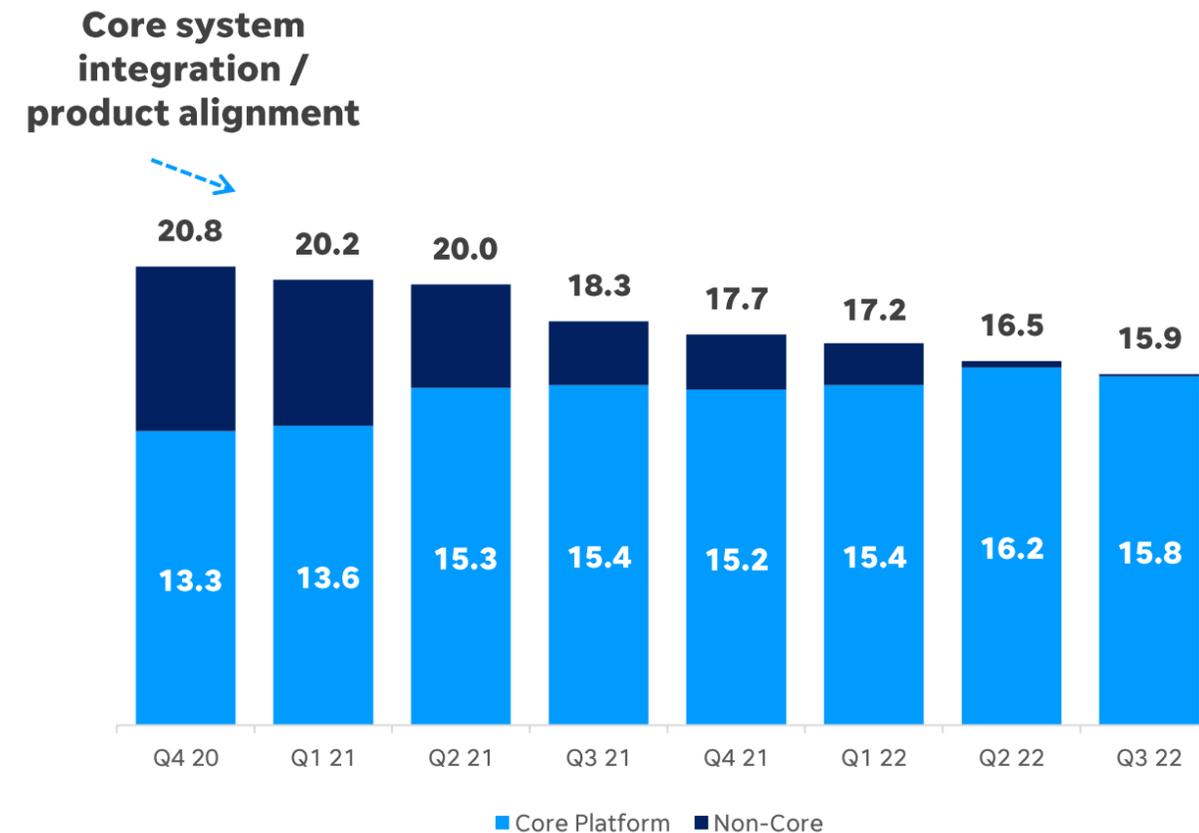
1. Core platform revenues is defined as revenue derived from customers utilizing the Company's proprietary digital marketing services platform that are sold by either our direct or local market teams.
 2. Customer count is derived from the active number of clients each month averaged over the course of the quarter.
 3. ARPU is defined as monthly revenue divided by average customer count within the given period.
 4. Customer budget retention is calculated as 1 minus the average of churned budgets in a given month divided by starting budgets in the same period, averaged across the quarter.

Pillar Two: Driving DMS Growth

Digital Marketing Solutions Revenues



Digital Marketing Solutions Customer Count (K)⁽²⁾



In Q4 2020, two DMS businesses aligned onto a single platform and product suite. The consolidation of platforms and the intentional realignment of product offerings lowered customer count. Core platform customer count⁽²⁾ has returned to pre-conversion levels and at a significantly higher ARPU⁽³⁾. Q3 2022 core platform revenues⁽¹⁾ of \$118.7M was the highest platform revenue to date and led to sustained double-digit Adjusted EBITDA margins⁽⁴⁾ of 13.1%.

1. Core platform revenues is defined as revenue derived from customers utilizing our proprietary digital marketing services platform that are sold by either our direct or local market teams.
2. Customer count is derived from the active number of clients each month averaged over the course of the quarter.
3. ARPU is defined as monthly revenue divided by average client count within the given period.
4. A reconciliation of non-GAAP results is located in the Appendix of the Presentation.

Appendix

Gannett Diversified Revenues⁽¹⁾

(\$ in millions)	Q3 2022	Q3 2022 % of Total
Print Advertising Revenues ⁽²⁾	\$159.3	22.2%
Digital Marketing Services	\$119.7	16.7%
Digital Media	\$67.9	9.5%
Digital Classified	\$14.9	2.1%
Total Digital Advertising and Marketing Services Revenues⁽²⁾	\$202.5	28.2%
Digital-only Circulation	\$34.5	4.8%
Print Circulation	\$230.2	32.1%
Total Circulation Revenues	\$264.7	36.9%
Other ⁽²⁾	\$91.3	12.7%
Total Revenues	\$717.9	100.0%
USA TODAY NETWORK Ventures Revenues ⁽²⁾	\$17.1	2.4%

1. Small discrepancies may exist due to rounding of revenue or percentage categories.

2. USA TODAY NETWORK Ventures is included in revenue categories.

Debt and Leverage Overview

(\$ in millions)	Rate	Balance as of September 30, 2022
2024 Notes	4.75%	\$3.3
2027 Notes	6.0%	\$485.3
New Senior Secured Term Loan ⁽¹⁾	7.57% ⁽²⁾	\$467.9
2026 Senior Notes	6.0%	\$363.0
Total Debt Outstanding	6.55% Blended Rate	\$1,319.5
Q3 2022 LTM Adjusted EBITDA ⁽³⁾		\$282.3
Cash on the Balance Sheet		\$124.9
Gross Leverage Ratio ⁽⁴⁾		4.67x
Net Leverage Ratio ⁽⁵⁾		4.23x
First Lien Net Leverage ⁽⁶⁾		2.50x

1. On January 31, 2022, the Company amended its New Senior Secured Term Loan to provide for incremental term loans in an aggregate principal amount not to exceed \$50 million and to transition the interest rate base from LIBOR to Adjusted Term SOFR due to regulatory requirements.
2. Adjusted term SOFR + 5.00% per annum plus the applicable credit spread adjustment--11.448 bps for one-month Term SOFR, 26.161 bps for three-month Term SOFR and 42.826 bps for six-month Term SOFR.
3. Adjusted EBITDA is a non-GAAP measure. A reconciliation of non-GAAP results is located in the Appendix of the Presentation.
4. Gross leverage ratio is calculated by dividing total debt by Q3 2022 LTM Adjusted EBITDA.
5. Net leverage ratio is calculated by subtracting cash on the balance sheet from total debt and dividing it by Q3 2022 LTM Adjusted EBITDA.
6. First Lien Net Leverage ratio is calculated by subtracting cash on the balance sheet from the sum of both the New Senior Secured Term Loan and the 2026 Senior Notes and dividing it by Q3 2022 LTM Adjusted EBITDA. 2027 Notes are second lien as of the completion of the Senior Secured Term Loan refinancing in October 2021.

Non-GAAP Reconciliation

The Company uses non-GAAP financial performance and liquidity measures to supplement the financial information presented on a U.S. GAAP basis. These non-GAAP financial measures, which may not be comparable to similarly titled measures reported by other companies, should not be considered in isolation from or as a substitute for the related U.S. GAAP measures and should be read together with financial information presented on a U.S. GAAP basis.

The Company defines its non-GAAP measures as follows:

Adjusted EBITDA is a non-GAAP performance measure the Company believes offers a useful view of the overall and segment operations of our business. The Company defines Adjusted EBITDA as Net income (loss) attributable to Gannett before: (1) Income tax expense (benefit), (2) Interest expense, (3) Gains or losses on the early extinguishment of debt, (4) Non-operating pension income, (5) Loss on convertible notes derivative, (6) Depreciation and amortization, (7) Integration and reorganization costs, (8) Other operating expenses, including third-party debt expenses and acquisition costs, (9) Asset impairments, (10) Goodwill and intangible impairments, (11) Gains or losses on the sale or disposal of assets, (12) Share-based compensation, and (13) certain other non-recurring charges. The most directly comparable U.S. GAAP measure is Net income (loss) attributable to Gannett.

Adjusted EBITDA margin is a non-GAAP performance measure the Company believes offers a useful view of the overall and segment operations of our business. Adjusted EBITDA margin is defined as Adjusted EBITDA divided by total Operating revenues.

Adjusted Net income (loss) attributable to Gannett is a non-GAAP performance measure the Company believes offers a useful view of the overall operations of our business and is useful to analysts and investors in evaluating the results of operations and operational trends. The Company defines Adjusted Net income (loss) attributable to Gannett before (1) Gains or losses on the early extinguishment of debt, (2) Loss on convertible notes derivative, (3) Integration and reorganization costs, (4) Other operating expenses, including third-party debt expenses and acquisition costs, (5) Asset impairments, (6) Goodwill and intangibles impairments, (7) Gains or losses on the sale or disposal of assets, (8) certain other non-recurring charges, and (9) the tax impact of the above items.

Free cash flow is a non-GAAP liquidity measure that adjusts our reported U.S. GAAP results for items we believe are critical to the ongoing success of our business. The Company defines Free cash flow as Cash provided by (used for) operating activities as reported on the Consolidated Statement of Cash Flows less capital expenditures, which results in a figure representing Free cash flow available for use in operations, additional investments, debt obligations, and returns to stockholders. The most directly comparable U.S. GAAP financial measure is Cash provided by (used for) operating activities.

Same store revenues is a non-GAAP performance measure based on GAAP revenues for Gannett for the current period, excluding (1) acquired revenues, (2) currency impact, and (3) exited operations.

Management's Use of Non-GAAP Measures

Adjusted EBITDA, Adjusted EBITDA margin, Adjusted Net income (loss) attributable to Gannett, Free cash flow and Same store revenues are not measurements of financial performance under U.S. GAAP and should not be considered in isolation or as an alternative to income from operations, net income (loss), margin, revenues, cash flow provided by (used for) operating activities, or any other measure of performance or liquidity derived in accordance with U.S. GAAP. We believe these non-GAAP financial measures, as we have defined them, are helpful in identifying trends in our day-to-day performance because the items excluded have little or no significance on our day-to-day operations. These measures provide an assessment of controllable expenses and afford management the ability to make decisions which are expected to facilitate meeting current financial goals as well as achieve optimal financial performance.

We use Adjusted EBITDA, Adjusted EBITDA margin, Adjusted Net income (loss) attributable to Gannett, Free cash flow and Same store revenues as measures of our day-to-day operating performance, which is evidenced by the publishing and delivery of news and other media and excludes certain expenses that may not be indicative of our day-to-day business operating results.

Limitations of Non-GAAP Measures

Each of our non-GAAP measures have limitations as analytical tools. They should not be viewed in isolation or as a substitute for U.S. GAAP measures of earnings or cash flows. Material limitations in making the adjustments to our earnings to calculate Adjusted EBITDA and Adjusted Net income (loss) attributable to Gannett using these non-GAAP financial measures as compared to U.S. GAAP net income (loss) include: the cash portion of interest / financing expense, income tax (benefit) provision, and charges related to asset impairments, which may significantly affect our financial results.

Management believes these items are important in evaluating our performance, results of operations, and financial position. We use non-GAAP financial measures to supplement our U.S. GAAP results in order to provide a more complete understanding of the factors and trends affecting our business.

Adjusted EBITDA, Adjusted EBITDA margin, Adjusted Net income (loss) attributable to Gannett, Free cash flow and Same store revenues are not alternatives to net income, margin, income from operations, cash flows provided by (used for) operations or revenues as calculated and presented in accordance with U.S. GAAP. As such, they should not be considered or relied upon as substitutes or alternatives for any such U.S. GAAP financial measure. We strongly urge you to review the reconciliations of Net income (loss) attributable to Gannett to Adjusted EBITDA, Adjusted EBITDA margin, Net income (loss) attributable to Gannett, Adjusted Net income (loss) attributable to Gannett, Cash provided by (used for) operations to Free cash flow and Revenues to Same Store revenues along with our Consolidated financial statements included elsewhere in this report. We also strongly urge you not to rely on any single financial measure to evaluate our business. In addition, because Adjusted EBITDA, Adjusted EBITDA margin, Adjusted Net income (loss) attributable to Gannett, Free cash flow and Same store revenues are not measures of financial performance under U.S. GAAP and are susceptible to varying calculations, the Adjusted EBITDA, Adjusted EBITDA margin, Adjusted Net income (loss) attributable to Gannett, Free cash flow and Same store revenues measures as presented in this report may differ from and may not be comparable to similarly titled measures used by other companies.

Our 2022 outlook included in the Presentation includes certain non-GAAP measures, including Same store revenues, Adjusted EBITDA and Free cash flow. The outlook for these items assumes does not factor in the impact of any future acquisitions or dispositions within 2022. We have provided these non-GAAP measures for future guidance for the same reasons that were outlined above for historical non-GAAP measures.

We have not reconciled non-GAAP forward-looking Same store revenues, Adjusted EBITDA and Free cash flow to its most directly comparable GAAP measure because the Company is unable to predict with reasonable certainty those items that may affect such measures calculated and presented in accordance with GAAP without unreasonable effort. For forward-looking Adjusted EBITDA and Same store revenues, the reconciliation is unavailable because it would include forward-looking financial statements in accordance with GAAP that are unavailable without unreasonable effort. For these reasons, we use a projected range of the aggregate amount of certain items in order to calculate our projected non-GAAP Adjusted EBITDA outlook and our Same store revenues outlook. These reconciling items are uncertain, depend on various factors and could significantly impact, either individually or in the aggregate, our comparable GAAP measures. Accordingly, we are unable to provide a full reconciliation of these non-GAAP measures used in our outlook without unreasonable effort as certain information necessary to calculate such measures on a GAAP basis is unavailable, dependent on future events outside of our control and cannot be predicted without unreasonable efforts by the Company.

Same Store Year-over-Year Revenues Metrics⁽¹⁾

	FY 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	FY 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	FY 2021	Q1 2022	Q2 2022	Q3 2022
Print Advertising	17.6%	-21.1%	-45%	-31.0%	-26.9%	-31.1%	-24.9%	10.5%	-4.2%	-10.2%	-8.9%	-7.0%	-11.3%	-12.1%
Digital Advertising and Marketing Services	-2.8%	2.1%	-26.2%	-13.8%	-3.2%	-10.5%	-10.5%	30.8%	14.3%	0.5%	7.1%	4.4%	-3.5%	-7.8%
Advertising and Marketing Services	-12.0%	-12.1%	-37.4%	-23.6%	-17.1%	-22.7%	-18.3%	20.2%	5.0%	-5.0%	-1.2%	-1.2%	-7.1%	-9.7%
Circulation	-6.7%	-7.5%	-13.6%	-13.2%	-13.6%	-11.9%	-12.9%	-9.2%	-8.2%	-8.8%	-9.9%	-10.9%	-11.7%	-13.6%
Other	1.9%	-9.0%	-31.5%	-23.9%	-22.2%	-21.9%	-21.9%	19.1%	23.4%	21.0%	8.8%	33.3%	21.1%	11.9%
Total Gannett	-8.9%	-10.0%	-28.0%	-19.6%	-16.3%	-18.5%	-16.5%	6.8%	0.9%	-4.3%	-3.9%	-2.5%	-6.3%	-9.0%

1. Same store revenues is a non-GAAP performance measure based on U.S. GAAP revenues for Gannett for the current period, excluding (1) acquired revenues, (2) currency impact, and (3) exited operations. In 2022, exited operations include (1) businesses divested and (2) the elimination of stand-alone print products discontinued within the media markets.

Gannett Same Store Non-GAAP Revenues Reconciliation⁽¹⁾

Total Revenues

<i>(in thousands)</i>	3 months ended September 30, 2022	3 months ended September 30, 2021	\$ Variance	% Variance
Total Revenues	\$717,902	\$800,185	(\$82,283)	-10.3%
Acquired revenues	(12,358)	-		
Currency impact	8,553	-		
Exited operations	-	(15,778)		
Same Store Revenues, Total	\$714,097	\$784,407	(\$70,310)	-9.0%

1. Same store revenues is a non-GAAP performance measure based on U.S. GAAP revenues for Gannett for the current period, excluding (1) acquired revenues, (2) currency impact, and (3) exited operations. In 2022, exited operations include (1) businesses divested and (2) the elimination of stand-alone print products discontinued within the media markets.

Gannett Same Store Non-GAAP Revenues Reconciliation⁽¹⁾

Total Digital Revenues

<i>(in thousands)</i>	3 months ended September 30, 2022	3 months ended September 30, 2021	\$ Variance	% Variance
Total Digital Revenues	\$256,434	\$264,983	(\$8,549)	-3.2%
Acquired revenues	(2,037)	-		
Currency impact	3,377	-		
Exited operations	-	(1,145)		
Same Store Revenues, Digital Total	\$257,774	\$263,838	(\$6,064)	-2.3%

1. Same store revenues is a non-GAAP performance measure based on U.S. GAAP revenues for Gannett for the current period, excluding (1) acquired revenues, (2) currency impact, and (3) exited operations. In 2022, exited operations include (1) businesses divested and (2) the elimination of stand-alone print products discontinued within the media markets.

Gannett Same Store Non-GAAP Revenues Reconciliation⁽¹⁾

Total Gannett Media Segment

<i>(in thousands)</i>	3 months ended September 30, 2022	3 months ended September 30, 2021	\$ Variance	% Variance
Total Revenues	\$633,006	\$715,807	(\$82,801)	-11.6%
Acquired revenues	(12,358)	-		
Currency impact	7,895	-		
Exited operations	-	(15,778)		
Same Store Revenues, Gannett Media Segment Total	\$628,543	\$700,029	(\$71,486)	-10.2%

1. Same store revenues is a non-GAAP performance measure based on U.S. GAAP revenues for Gannett for the current period, excluding (1) acquired revenues, (2) currency impact, and (3) exited operations. In 2022, exited operations include (1) businesses divested and (2) the elimination of stand-alone print products discontinued within the media markets.

Gannett Non-GAAP Reconciliation⁽¹⁾

Adjusted EBITDA

Total Company

<i>(in thousands)</i>	3 months ended September 30, 2022
Net loss attributable to Gannett	(\$54,114)
Provision for income taxes	18,098
Interest expense	27,750
Gain on early extinguishment of debt	(1,228)
Non-operating pension income	(14,990)
Depreciation and amortization	44,778
Integration and reorganization costs	33,311
Other operating expenses	249
Asset Impairments	71
Gain on sale or disposal of assets, net	(7,180)
Share-based compensation expense	4,499
Other items	665
Adjusted EBITDA (non-GAAP basis)	\$51,909
Net loss attributable to Gannett margin	(7.5%)
Adjusted EBITDA margin (non-GAAP basis)	7.2%

Digital Marketing Solutions Segment

<i>(in thousands)</i>	3 months ended September 30, 2022
Net income attributable to Gannett	\$5,385
Depreciation and amortization	7,252
Integration and reorganization costs	431
Loss on sale or disposal of assets, net	2
Other items	2,620
Adjusted EBITDA (non-GAAP basis)	\$15,690
Net income attributable to Gannett margin	4.5%
Adjusted EBITDA margin (non-GAAP basis)	13.1%

1. Small discrepancies may exist due to rounding.

Gannett Non-GAAP Reconciliation⁽¹⁾

LTM Adjusted EBITDA

Gannett Media Unit

<i>(in thousands)</i>	LTM ended September 30, 2022
Net income attributable to Gannett	\$161,040
Non-operating pension income	(75,076)
Depreciation and amortization	147,358
Integration and reorganization costs	47,459
Other operating expenses	727
Asset impairments	1,852
Gain on sale or disposal of assets, net	(1,856)
Other items	598
Adjusted EBITDA (non-GAAP basis)	\$282,102
Net income attributable to Gannett margin	5.9%
Adjusted EBITDA margin (non-GAAP basis)	10.4%

Digital Marketing Solutions Unit

<i>(in thousands)</i>	LTM ended September 30, 2022
Net income attributable to Gannett	\$22,400
Depreciation and amortization	26,935
Integration and reorganization costs	1,284
Loss on sale or disposal of assets, net	192
Other items	4,600
Adjusted EBITDA (non-GAAP basis)	\$55,411
Net income attributable to Gannett margin	4.9%
Adjusted EBITDA margin (non-GAAP basis)	12.0%

1. Small discrepancies may exist due to rounding.

Gannett Non-GAAP Reconciliation⁽¹⁾

LTM Adjusted EBITDA

Corporate and Other

<i>(in thousands)</i>	LTM ended September 30, 2022
Net loss attributable to Gannett	(\$316,657)
Provision for income taxes	69,332
Interest expense	106,218
Loss on early extinguishment of debt	24,976
Depreciation and amortization	17,304
Integration and reorganization costs	25,528
Other operating expenses	10,536
Loss on sale or disposal of assets, net	54
Share-based compensation expense	17,912
Other Items	(10,374)
Adjusted EBITDA (non-GAAP basis)	(\$55,171)

1. Small discrepancies may exist due to rounding.

Gannett Non-GAAP Reconciliation⁽¹⁾

Adjusted Net Income attributable to Gannett and Free cash flow

<i>(in thousands)</i>	3 months ended September 30, 2022
Net loss attributable to Gannett	(\$54,114)
Gain on early extinguishment of debt	(1,228)
Integration and reorganization costs	33,311
Other operating expenses	249
Asset impairments	71
Gain on sale or disposal of assets, net	(7,180)
Other items	(6)
Tax impact of above items	77,279
Adjusted Net Income attributable to Gannett	\$48,382

<i>(in thousands)</i>	3 months ended September 30, 2022
Cash provided by operating activities (GAAP basis)	\$31,294
Capital expenditures	(12,651)
Free cash flow (non-GAAP basis)	\$18,643

1. Small discrepancies may exist due to rounding.

Gannett Same Store Non-GAAP Revenues Reconciliation⁽¹⁾

Gannett Media Segment – Digital Advertising and Marketing Services

<i>(in thousands)</i>	3 months ended September 30, 2022	3 months ended September 30, 2021	\$ Variance	% Variance
Digital Media Revenues	\$67,886	\$91,344	(\$23,458)	-25.7%
Acquired revenues	(833)	-		
Currency impact	1,439	-		
Exited operations	-	(566)		
Same Store Revenues, Gannett Media Segment Digital Media	\$68,492	\$90,778	(\$22,286)	-24.6%
Digital Marketing Services Revenues	\$36,177	\$34,078	\$2,099	6.2%
Acquired revenues	(570)	-		
Currency impact	358	-		
Exited operations	-	(308)		
Same Store Revenues, Gannett Media Segment Digital Marketing Services	\$35,965	\$33,770	\$2,195	6.5%
Digital Classified Revenues	\$14,892	\$13,318	\$1,574	11.8%
Acquired revenues	(272)	-		
Currency impact	416	-		
Exited operations	-	(137)		
Same Store Revenues, Gannett Media Segment Digital Classified	\$15,036	\$13,181	\$1,855	14.1%

1. Same store revenues is a non-GAAP performance measure based on U.S. GAAP revenues for Gannett for the current period, excluding (1) acquired revenues, (2) currency impact, and (3) exited operations. In 2022, exited operations include (1) businesses divested and (2) the elimination of stand-alone print products discontinued within the media markets.

Gannett Same Store Non-GAAP Revenues Reconciliation⁽¹⁾

Gannett Media Segment – Advertising and Marketing Services

<i>(in thousands)</i>	3 months ended September 30, 2022	3 months ended September 30, 2021	\$ Variance	% Variance
Print Advertising Revenues	\$159,324	\$190,044	(\$30,720)	-16.2%
Acquired revenues	(5,829)	-		
Currency impact	2,293	-		
Exited operations	-	(12,816)		
Same Store Revenues, Gannett Media Segment Print Advertising	\$155,788	\$177,228	(\$21,440)	-12.1%
Digital Advertising and Marketing Services Revenues	\$118,955	\$138,740	(\$19,785)	-14.3%
Acquired revenues	(1,675)	-		
Currency impact	2,213	-		
Exited operations	-	(1,011)		
Same Store Revenues, Gannett Media Segment Digital Advertising and Marketing Services	\$119,493	\$137,729	(\$18,236)	-13.2%
Total Advertising and Marketing Services Revenues	\$278,279	\$328,784	(\$50,505)	-15.4%
Acquired revenues	(7,504)	-		
Currency impact	4,506	-		
Exited operations	-	(13,827)		
Same Store Revenues, Gannett Media Segment Total Advertising and Marketing Services	\$275,281	\$314,957	(\$39,676)	-12.6%

1. Same store revenues is a non-GAAP performance measure based on U.S. GAAP revenues for Gannett for the current period, excluding (1) acquired revenues, (2) currency impact, and (3) exited operations. In 2022, exited operations include (1) businesses divested and (2) the elimination of stand-alone print products discontinued within the media markets.

Gannett Same Store Non-GAAP Revenues Reconciliation⁽¹⁾

Gannett Media Segment – Circulation

<i>(in thousands)</i>	3 months ended September 30, 2022	3 months ended September 30, 2021	\$ Variance	% Variance
Print Circulation Revenues	\$230,200	\$280,980	(\$50,780)	-18.1%
Acquired revenues	(3,657)	-		
Currency impact	2,308	-		
Exited operations	-	(1,767)		
Same Store Revenues, Gannett Media Segment Print Circulation	\$228,851	\$279,213	(\$50,362)	-18.0%
Digital-only Circulation Revenues	\$34,532	\$25,718	\$8,814	34.3%
Acquired revenues	(66)	-		
Currency impact	190	-		
Exited operations	-	(124)		
Same Store Revenues, Gannett Media Segment Digital-only Circulation	\$34,656	\$25,594	\$9,062	35.4%
Total Circulation Revenues	\$264,732	\$306,698	(\$41,966)	-13.7%
Acquired revenues	(3,723)	-		
Currency impact	2,498	-		
Exited operations	-	(1,891)		
Same Store Revenues, Gannett Media Segment Total Circulation	\$263,507	\$304,807	(\$41,300)	-13.5%

1. Same store revenues is a non-GAAP performance measure based on U.S. GAAP revenues for Gannett for the current period, excluding (1) acquired revenues, (2) currency impact, and (3) exited operations. In 2022, exited operations include (1) businesses divested and (2) the elimination of stand-alone print products discontinued within the media markets.

Gannett Same Store Non-GAAP Revenues Reconciliation⁽¹⁾⁽³⁾ Business Outlook⁽²⁾

	12 months ended December 31, 2021 (Est.)	12 months ended December 31, 2022 (Est.)
Total Revenues	\$3,208M⁽⁴⁾	\$2,950M to \$3,000M
Acquired revenues	-	(\$45M - \$40M)
Currency impact	-	\$20M to \$25M
Exited operations	(\$60M to \$55M) ⁽⁵⁾	-
Same Store Revenues, Total	\$3,148M to \$3,153M	\$2,930M to \$2,980M

1. Same store revenues is a non-GAAP performance measure based on U.S. GAAP revenues for Gannett for the current period, excluding (1) acquired revenues, (2) currency impact, and (3) exited operations. In 2022, exited operations include (1) businesses divested and (2) the elimination of stand-alone print products discontinued within the media markets.
2. Projections are based on Company estimates as of November 3, 2022 and are provided solely for illustrative purposes. Actual results may vary. The Company undertakes no obligation to update this information. Additionally, the Company's estimates do not factor in the impact of any future acquisitions or dispositions.
3. For forward-looking Same store revenues, the reconciliation is unavailable because it would include forward-looking financial statements in accordance with GAAP that are unavailable without unreasonable effort. For this reason, we use a projected range of the aggregate amount of certain items in order to calculate our projected non-GAAP Same Store revenues outlook.
4. Total revenues as reported.
5. Estimated to reflect adjustments for operations expected to be exited during the same period in fiscal 2022 based on current expectations regarding exit timing and specific products and operations to be exited.

Gannett Non-GAAP Reconciliation – Business Outlook⁽¹⁾⁽²⁾

Adjusted EBITDA and Adjusted Net income (loss) attributable to Gannett

	12 months ended December 31, 2022 (Est.)
Net loss attributable to Gannett	(\$70M to \$60M)
Provision for income taxes	\$20M to \$25M
Interest expense	\$105M to \$110M
Non-operating pension income	~(\$70M)
Depreciation and amortization	~\$190M
Integration and reorganization costs	\$65M to \$85M
Share-based compensation expense	\$20M to \$25M
Other items	~\$5M
Adjusted EBITDA (non-GAAP basis)	\$270M to \$300M

1. Projections are based on Company estimates as of November 3, 2022 and are provided solely for illustrative purposes. Actual results may vary. The Company undertakes no obligation to update this information. Additionally, the Company's estimates do not factor in the impact of any future acquisitions or dispositions.
2. For forward-looking Adjusted EBITDA, the reconciliation is unavailable because it would include forward-looking financial statements in accordance with GAAP that are unavailable without unreasonable effort. For this reason, we use a projected range of the aggregate amount of certain items in order to calculate our projected non-GAAP Adjusted EBITDA outlook.

Gannett Non-GAAP Reconciliation – Business Outlook⁽¹⁾⁽²⁾

Free Cash Flow

	12 months ended December 31, 2022 (Est.)
Cash provided by operating activities (GAAP basis)	\$45M to \$65M
Capital Expenditures	~\$45M
Free cash flow (non-GAAP basis)	\$0M to \$20M

1. Projections are based on Company estimates as of November 3, 2022 and are provided solely for illustrative purposes. Actual results may vary. The Company undertakes no obligation to update this information. Additionally, the Company's estimates do not factor in the impact of any future acquisitions or dispositions.

2. For forward-looking Free cash flow, the reconciliation is unavailable without unreasonable effort. For this reason, we use a projected range of the aggregate amount of certain items in order to calculate our projected non-GAAP Free cash flow outlook.